



## **Forest City comments on approval of financing for a new Las Vegas City Hall**

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LAS VEGAS – Forest City Enterprises, a national real estate developer with a 20-year history of involvement in Las Vegas, is eager to begin work on a new City Hall downtown now that the Las Vegas City Council voted today to move forward with financing for the project, said the Company's senior developer for the project.

"We're pleased with today's vote by the Las Vegas City Council to proceed with a prudent plan to finance a new Las Vegas City Hall," said Dimitri Vazelakis, president of west coast commercial development for Forest City. "We're excited to get to work on a world-class project that is one part of the city's long-term vision to revitalize and redevelop downtown Las Vegas. We recognize the importance of this project, especially in these challenging economic times, and are honored to be working with the city to help create jobs, stimulate the local economy, and develop this important building and surrounding projects."

"This is a momentous day for the city of Las Vegas," Mayor Oscar B. Goodman said. "At a time of economic distress, the city is taking the lead by investing in its community, putting people to work and helping create a more vibrant downtown. The development of a new City Hall will not only create jobs but it will also stimulate private investment in the downtown that has the potential to generate millions in new tax revenue to the city, through the development of a major-league sports complex, entertainment district and hotel/casino projects."

As approved by the City Council, the new City Hall will be financed through Certificates of Participation that are backed by Build America Bonds. Build America Bonds, which were created as part of federal economic stimulus legislation, allow the city to finance the project at a lower effective tax rate, a benefit for both the city and investors.

Prior to the vote, the city of Las Vegas announced its intention to sell \$185 million in bonds, of which a majority are Build America Bonds, to finance the new City Hall. The bonds were sold through an underwriting team to institutional investors at an average interest rate of 5.26%.

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The new City Hall, to be located downtown between First and Main Streets and Lewis and Clark Avenues, is two blocks south of the Golden Nugget hotel-casino and near a new downtown transportation terminal. It is an integral part of a broader downtown redevelopment plan that is expected to create thousands of jobs, stimulate private investment and generate millions in new tax revenue to the city.

Construction on the new City Hall is expected to begin in early 2010 and is estimated to take approximately 24 months to complete.

**About Forest City**

Forest City Enterprises, Inc. is an \$11.7 billion, NYSE-listed national real estate company. The company is principally engaged in the ownership, development, management and acquisition of commercial and residential real estate and land throughout the United States. For more information, visit [www.forestcity.net](http://www.forestcity.net).

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